

Central Intelligence Agency



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## DIRECTORATE OF INTELLIGENCE

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Japanese Foreign Policy [redacted]

A close US-Japanese relationship has been the cornerstone of Japan's foreign policy. Prime Minister Nakasone has stressed that a solid alliance is essential for successfully coping with international problems. As a result, we believe the Japanese will continue to see their diplomatic interests tied closely to ours and that Tokyo will continue to solicit US views before making foreign policy choices. Japan, nevertheless, is beginning to move toward a more active and assertive role in the foreign policy arena. We believe that an increasingly self-confident Japan may choose paths different from Washington's when Tokyo views its interests as transcending the US-Japanese relationship. [redacted]

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The Soviet Union

Japan has distrusted Moscow for more than a century. The USSR's refusal to return the islands north of Hokkaido, its actions in such countries as Afghanistan and Poland, and its continued military buildup have all contributed to this continuing negative attitude. Tokyo has generally followed

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This memorandum, requested by State Department officials for use in preparation for the visit by Prime Minister Nakasone, was prepared by [redacted] Japan Branch, Northeast Asia Division, Office of East Asian Analysis. Information available as of 13 January 1983 was used in its preparation. Comments and queries are welcome and may be directed to the Chief, Japan Branch, Northeast Asia Division, OEA [redacted]

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Washington's lead when dealing with the USSR, and has supported US initiatives such as sanctions after the Soviet invasion of Afghanistan in December 1979. Like the United States, Japan recognizes the Soviet threat--particularly since Afghanistan--although the two do not completely agree on its severity or on how best to cope with it. [REDACTED] 25X1

The Japanese believe it important to keep open channels of communication to Moscow. Based on his public statements, we judge that Prime Minister Nakasone views the change of Soviet leadership as an opportunity for improving communication. In an unusual move, he met with the Soviet Ambassador to Tokyo shortly after taking office. In addition:

- Tokyo has invited the Soviet Fisheries Minister to visit Japan in February to negotiate a long-term fisheries agreement; he will be the first Soviet Cabinet minister to visit Japan officially since the invasion of Afghanistan.
- Also in February, a large Japanese business mission, led by Japan Chamber of Commerce and Industry President Nagano, will travel to Moscow, the first such delegation to the USSR since 1979. [REDACTED] 25X1

We expect Tokyo will continue to relax restrictions on official contacts as well as on trade with the Soviets. In fact, Tokyo's current plans for exchanges are probably in part an effort to keep up with other Western countries in developing relations with Moscow. [REDACTED] 25X1

According to US Embassy officials, Japanese bureaucrats see signs of a general East-West thaw, including the high level of Western representation at Brezhnev's funeral and the end of pipeline sanctions.

Japanese businessmen have watched European and US business missions to Moscow, and according to reports in the press and from the US Embassy, they are afraid of losing sales. [REDACTED] 25X1

Despite Tokyo's drift back toward business as usual with the Soviets- [REDACTED]

[REDACTED] we believe Japan will continue to consult closely with Washington on questions of policy toward Moscow. We [REDACTED] 25X1

do not expect Tokyo to abandon key demands for normalizing relations with the Soviets. Nakasone shows no sign, for example, of changing Japan's policy of refusing to initial a peace treaty with the USSR until the Soviets return the Northern Territories. [redacted]

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China

Since Japan normalized relations with China in the early 1970s, Tokyo has been committed to building stable, broadly based ties to its major Asian neighbor. To support the moderates in Beijing and to encourage the Chinese to expand their opening to the West--as well as to provide opportunities for Japanese businessmen--Japan has contributed to China's modernization effort. Tokyo has provided large-scale loans on favorable terms for equipment used in the construction of railroads, ports, and whole plants, and has also offered access to Japanese technology. Some potential for trouble exists in the relationship, however.

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-- We believe Tokyo is concerned by China's recent move away from strong public support of Japan's security treaty with the United States.

[redacted] -- According to the US Embassy and the Japanese press, Japanese business leaders are increasingly pessimistic about significant further expansion of Japan-China economic ties, and Tokyo may not give Beijing as much economic assistance as it wants.

-- The textbook controversy last summer spurred Chinese criticism of what they described as a resurgence of Japanese "militarism."

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-- China will carefully monitor Japanese contacts with Taiwan and can be expected to express displeasure should exchanges such as the visit of senior Liberal Democratic Party leader Esaki to Taipei last summer continue [redacted]

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The Japanese do not yet view these problems as serious enough to reevaluate their policy toward China, however, and US Embassy officials in Tokyo report that they have no evidence that Nakasone intends to make changes in that policy. The Prime Minister has pledged to continue to promote good relations with Beijing on political, economic, and cultural fronts. We do not expect Japan to pursue a China policy that runs counter to US interests in the area: Nakasone has said that stable, friendly relations with the United States provide the basis for sound policy toward Beijing [redacted]

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The Western Alliance

25X1 In his policy speech to the Diet on 3 December, Nakasone reconfirmed Japan's commitment to work with the United States and Western Europe. We expect that Japan will continue to call for increased cooperation among advanced democracies. During his January 1983 trip to Europe, for example, Foreign Minister Abe expressed interest in consulting more closely with the NATO countries on security issues. Tokyo has in fact cooperated with other members of the Western camp, particularly on East-West problems such as the Afghan and Polish sanctions. [redacted] 25X1

The Japanese have sometimes considered siding with Western Europe when it seemed to their advantage--on the issue of the US oil and gas field equipment embargo, for example--and Japan has joined Europe in criticizing high US interest rates. Nevertheless, a review of the Japanese press suggests that Tokyo continues to perceive some anti-Japanese sentiment in Europe. Japan has not made significant progress toward developing close bilateral ties to European nations. It has been much less responsive, for instance, to West European than to US demands for trade liberalization. We expect, therefore, that Japan will continue to put most emphasis on the US relationship. [redacted] 25X1

[redacted] 25X1

The Middle East

25X1 The Middle East is the area in which Tokyo's foreign policy is most likely to diverge from Washington's. Despite continuing efforts to diversify its sources of energy, Japan remains dependent on the Middle East for about 70 percent of its oil. Consequently, it places considerable weight on ensuring good relations with the Arab oil exporters. To do so, Tokyo has sometimes gone further than the United States has wanted. In late 1981, for example, Tokyo hosted PLO leader Arafat, although the visit was billed as "unofficial." [redacted] 25X1

[redacted] 25X1

We expect Japan will continue to search for initiatives toward the Middle East that will please the Arabs, although it will try to avoid antagonizing the United States in the process. [redacted] 25X6

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[REDACTED]

Asia

[REDACTED] Japanese and US interests and analysis of the situation in Asia generally coincide. Both agree on the importance of support for ASEAN. Under Nakasone--who telephoned the heads of government of the five ASEAN states immediately after taking office--we expect Japan will continue to assist ASEAN economically and to support ASEAN's positions on Vietnam and the Kampuchean coalition. [REDACTED]

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The United States and Japan disagree somewhat on Indochina. [REDACTED]

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Both Tokyo and Washington agree on the importance of a stable relationship between Japan and South Korea. [REDACTED]

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[REDACTED] Nakasone was the first Japanese prime minister to visit Seoul to hold substantive discussions with his Korean counterpart since normalization of relations in 1965. Along with several events last month--the release of dissident leader Kim Dae Jung and the successful meeting of Japanese and Korean parliamentarians in Japan--this visit should improve chances for easing tension between the two nations [REDACTED]

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At the same time, anti-Japanese feeling in Korea and a negative attitude toward Seoul on the part of the Japanese, both exacerbated by the textbook issue, could continue to trouble the relationship. [REDACTED]

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[redacted] Japan thus may not be able to move as quickly to develop close relations with Korea as the United States would like. [redacted]

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### Africa/Latin America

Latin America and Africa generally remain low priorities for Japan, and Tokyo may not provide as much support as Washington might like on such matters as the Caribbean Basin Initiative. Japan's foreign policy interests in the two regions are focused on the resources and development potential of these regions. Tokyo is thus most concerned with stability in both areas and is likely to go along with US policy toward them. US pressure has been a factor in increased Japanese aid to countries in both areas. We believe Tokyo considers this involvement a means of demonstrating to Washington that Japan is a cooperative ally and one that fulfills its international responsibilities [redacted]

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### International Issues

Japan has been one of the United States' most reliable allies in international forums. Japan has so far supported the United States in trying to ensure continued Israeli membership in international organizations, for example. At Washington's urging Tokyo has begun to take a still small but growing interest in refugee affairs. Japan will provide financial and technical assistance to the Bataan refugee reprocessing center in the Philippines, for example, and has increased food aid for African refugees [redacted]

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Also in response to US pressure Japan has increasingly taken strategic concerns into consideration when allocating foreign aid in an effort to strengthen Third World nations and reduce opportunities for Soviet intervention. Southeast Asia, particularly ASEAN's "front line state," Thailand--has been the principal beneficiary of Japanese economic assistance. Japan has also boosted aid to Turkey, Egypt, Oman and other strategic countries in or adjacent to the Middle East. Japan has followed the US lead during multilateral debt rescheduling negotiations, including those on Mexico and Zaire. We expect Tokyo will continue to be supportive in this area, [redacted]

On the other hand, on some international issues Tokyo's positions have and will continue to diverge from Washington's. Japan voted for the draft Law of the Sea treaty last spring. Although it did not sign the treaty in December, largely in response to US pressure, US Embassy officials in Tokyo expect the Japanese to sign sometime this year. On the issue of whaling,

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Tokyo opposed the International Whaling Commission's decision to ban commercial whaling beginning in 1986 [REDACTED]

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Japan's dependence on the Third World for markets and raw materials has sometimes made it more responsive to the South on North-South issues than is the United States. We expect Tokyo to continue to attempt to serve as a bridge between the developing world and the industrialized nations. [REDACTED]

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Japan's special interest in disarmament, and especially in nuclear disarmament, could lead it to support initiatives--on a comprehensive test ban, for example--that do not meet US requirements. In the past, however, Japan has modified its disarmament policies to take into account US objections, as it did last summer during the UN Special Session in Disarmament, when Tokyo did not present a planned draft proposal on the protection of nuclear facilities. Japan has its own peace movement, which has sponsored antinuclear rallies and opposed the hosting of US military bases. The movement is divided, however, and although it was active before the special session, it has been unable to sustain that momentum. [REDACTED]

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